

NOTICE OF 1ST ANNUAL GENERAL MEETING

Respected Member,


Notice is hereby given that the 1st Annual General Meeting for the year 2020 of **KVS CASTINGS PRIVATE LIMITED** (Having CIN: U27100DL2019PTC351105) will be held on 30th December, 2020 at the registered office of the company at D-6, Vivek Vihar, Shahdara, East Delhi, Delhi- 110092 at 11:00 A.M. to transact the following business as mentioned in Agenda:

Item No.	Particulars
1.	To appoint Chairman of the Meeting.
2.	To confirm presence of Quorum.
3.	To read the notice of Annual General Meeting.
4.	To consider and adopt the Audited Financial Statements for the financial year ended on 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.
5.	To re-appoint statutory auditor of the company.
6.	To consider and adopt the Audited Financial Statements of Sidhivinayak Horticulture Limited, Kamlapati Infrastructure Limited, Sharma Investments Limited and Tomar Investments Limited made from the period 01 st April, 2019 to 31 st July, 2019.
7.	To consider any other matter with the permission of Chair.
8.	Vote of Thanks.

DATE: 03-12-2020

PLACE: Delhi

For and on behalf of board of directors
KVS CASTINGS PRIVATE LIMITED


(DEVENDRA KUMAR AGARWAL)
(DIRECTOR)
(00753173)

S/O MITHLESH KUMAR AGARWAL,
530, NAND NIWAS, RAMNAGAR
ROAD, KASHIPUR, UDHAM SINGH
NAGAR, UTTARAKHAND- 244713

KVS Castings Private Limited

B-25-29, Industrial Estate, Bazpur Road, Kashipur-244713 (Uttarakhand)

Tel.: 05947-262656

Regd. Office : D-6, Vivek Vihar, Shahdara, Delhi-110092

E-mail : kvs铸件@kvspremier.com Website : www.kvspremier.com

CIN No.: U27100DL2019PTC351105

NOTES ON AGENDA

ITEM NO. 1: APPOINTMENT OF CHAIRMAN:

Devendra Kumar Agarwal shall take chair as the Chairman of the meeting.

ITEM NO. 2: QUORUM:

After the ascertainment of requisite quorum for the meeting, the meeting shall be called in order.

ITEM NO. 3: NOTICE OF THE MEETING:

Any of the Director of the company shall read the notice to the members of the company.

ITEM NO. 4: ADOPTION OF ANNUAL FINANCIAL STATEMENTS ALONGWITH AUDITOR'S REPORT THEREON AS WELL AS DIRECTOR'S REPORT FOR THE FINANCIAL YEAR ENDED ON 31/03/2020 (ORDINARY BUSINESS):

To consider and if thought fit, to pass the following Resolution with or without modification as **Ordinary Resolution:**

"RESOLVED THAT the Annual Financial Statements for the year ended on 31st March, 2020 alongwith Auditors Report thereon as well as Director's Report be and are hereby adopted."

ITEM NO. 5: RE-APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY (ORDINARY BUSINESS):

To consider and if thought fit, to pass the following Resolution with or without modification as **Ordinary Resolution:**

"RESOLVED THAT in terms of the provisions of Section 139 and Rule 3 of Companies (Audit And Auditors) Rules, 2014 of Companies Act, 2013, **M/S VIMAL & ASSOCIATES, CHARTERED ACCOUNTANTS, STATION ROAD, KASHIPUR, UTTARAKHAND-244713**, be and is hereby appointed as Statutory Auditors of the company for next five years who shall hold the office from the conclusion of this Annual General Meeting of the company till the conclusion of the Annual General Meeting of the company to be held in the Year 2025 at a remuneration to be determined by the company plus out of pocket expenses that may be incurred by them."

ITEM NO. 6: ADOPTION OF AUDITED FINANCIAL STATEMENTS OF SIDHIVINAYAK HORTICULTURE LIMITED, KAMLAPATI INFRASTRUCTURE LIMITED, SHARMA INVESTMENTS LIMITED AND TOMAR INVESTMENTS LIMITED MADE FROM THE PERIOD 01ST APRIL, 2019 TO 31ST JULY, 2019 (ORDINARY BUSINESS):

To consider and if thought fit, to pass the following Resolution with or without modification as **Ordinary Resolution:**

"RESOLVED THAT the Annual Financial Statements of Sidhivinayak Horticulture Limited, Kamlapati Infrastructure Limited, Sharma Investments Limited and Tomar Investments Limited made from the period 01st April, 2019 to 31st July, 2019 be and are hereby adopted."

ITEM NO. 7: NOTICE OF THE MEETING:

On the advice of the Chairman, any other matter which is not included in the notice can be discussed in the meeting.

ITEM NO. 8: VOTE OF THANKS:

The meeting shall conclude with a vote of thanks to the chair.

NOTES:

1. In terms of Section 105 of the Companies Act, 2013, a member of a Company entitled to attend and vote at the General Meeting is entitled to appoint another person as a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
2. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips to the Meeting.
3. The instrument appointing the proxy, in order to be effective, must be deposited at the Corporate office of the Company, duly completed and signed, not less than 48 Hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.


A person can act as proxy on behalf of shareholders not exceeding fifty (50) and/or holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a shareholder holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

DATE: 03-12-2020

PLACE: Delhi

For and on behalf of board of directors
KVS CASTINGS PRIVATE LIMITED


(DEVENDRA KUMAR AGARWAL)
(DIRECTOR)
(00753173)

S/O MITHLESH KUMAR AGARWAL,
530, NAND NIWAS, RAMNAGAR
ROAD, KASHIPUR, UDHAM SINGH
NAGAR, UTTARAKHAND- 244713

DIRECTOR'S REPORT

TO,
THE MEMBERS,
KVS CASTINGS PRIVATE LIMITED
D-6, VIVEK VIHAR, SHAHDARA,
EAST DELHI, DELHI- 110092

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the accounts for the Financial Year ended on 31st March, 2020.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/ PERFORMANCE OF THE COMPANY:

The Board's Report shall be prepared based on the standalone financial statements of the company.

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Profit/ Loss before Tax and Depreciation	1,68,29,357.00	0.00
Less: Depreciation	54,07,403.00	0.00
Profit/ Loss before Tax but after Depreciation	1,14,21,954.00	0.00
Less: Tax expense		
Tax for Current Year	19,98,338.00	0.00
Tax for Previous Year	2,08,319.00	0.00
Past Year Tax W/o	0.00	0.00
Add: MAT Credit		
Deferred Tax (Assets/Liabilities)	10,67,156.00	0.00
Profit transferred to Reserve and Surplus	81,48,142.00	0.00

2. CAPITAL BASE:

The Authorized Capital of the company stands at Rs. 15,00,000 divided into 1,50,000 Equity Shares of Rs. 10 each. Pursuant to the order passed by NCLT, Delhi in respect of scheme of Amalgamation of Sharma Investments Limited and Tomar Investments Limited with KVS Castings Private Limited, cross holding has been cancelled. Therefore, 7500 equity shares held by Sharma Investments Limited and 7500 equity shares held by Tomar Investments Limited have been cancelled and total paid up share capital has been reduced from Rs. 15,00,000 divided into 1,50,000 Equity Shares of Rs. 10 each to Rs. 13,50,000 divided into 135,000 Equity Shares of Rs. 10 each.

Hence, the issued and paid up share capital stands Rs. 13,50,000 divided into 135,000 Equity Shares of Rs. 10 each

3. DIVIDEND:

Your Directors of the Company do not recommend any dividend during the year.

4. RESERVES:

The Board of Directors has transferred an amount of **Rs. 81,48,142.00** as Profit to the Reserve & surplus account.

5. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/ STATE OF COMPANY'SAFFAIR:

The company is engaged in the business of manufacturing and selling of CI Castings, SG Iron Castings, High Carbon Steel Castings, Gun Metal Castings, Brass Castings etc. of various metals and all other products incidental thereto and connected therewith. During the year, revenue from operation of the company is **18,05,06,299.00** and the company ensures that they will work more efficiently and in an effective manner to achieve the maximum turnover in the coming years.

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

The Company has dealt with same object as stated above. No material changes were made in the business activity of the company subsequent to the close of the financial year of the Company to which the balance sheet relates.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There is no change occurred in the matter of settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc. during the period under review.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year, pursuant to the scheme of Amalgamation, National Company Law Tribunal (NCLT), Delhi has duly passed the order number CP (CAA)- 01(ND) / 2020 dated 15/06/2020 regarding amalgamation of Sidhivinayak Horticulture Limited, Kamlapati Infrastructure Limited, Sharma Investments Limited and Tomar Investments Limited with KVS Castings Private Limited.

Further, company has duly filed E-form INC- 28 for filing copy of order passed by NCLT which is pending for approval till the date of board report. Therefore, once the E-form gets approved, company will allot fully paid up equity shares to the shareholders of Sidhivinayak Horticulture Limited, Kamlapati Infrastructure Limited, Sharma Investments Limited and Tomar Investments Limited in accordance with the order passed by NCLT.

9. DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES:

The Company has no Subsidiary, joint venture or associate Company during the year.

10. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT:

This clause is not applicable to the Company because there is no subsidiary, associate or joint venture Company.

11. DEPOSITS:

During the Period under review, the Company has an unsecured loan of **Rs. 7,96,69,284**, out of which an amount of Rs. 4,01,09,383 has been received from the Directors of the company and amount of Rs. 3,95,59,901 has been received as inter-corporate borrowings, so it will not be considered as Deposits under Rule 2 of companies (Acceptance of Deposits) Rules, 2014 in the terms of notification dated 13/06/2017.

12. STATUTORY AUDITORS:

The company has already appointed **M/S VIMAL & ASSOCIATES, CHARTERED ACCOUNTANTS, STATION ROAD, KASHIPUR, UTTARAKHAND-244713** as Statutory Auditor of the company in its board meeting held on 08/07/2019 to hold the office upto the conclusion of the First Annual General Meeting.

Now, the company intends to reappoint **M/S VIMAL & ASSOCIATES, CHARTERED ACCOUNTANTS, STATION ROAD, KASHIPUR, UTTARAKHAND-244713** as Statutory Auditor of the company to hold the office from the conclusion of this Annual General Meeting of the company till the conclusion of the Annual General Meeting of the company to be held for the Year 2025 at a remuneration to be determined by the company plus out of pocket expenses that may be incurred by them.

13. AUDITORS' REPORT:

There is no explanation required from Board on any qualification, reservation or adverse remark or disclaimer made by the auditor in his report.

14. SHARE CAPITAL:

The Company has not issued any equity shares with differential rights, sweat equity shares or employee stock options and also it has not made any provision of money for purchase of its own shares by employees or by trustees.

15. EXTRACT OF THE ANNUAL RETURN:

The extract of the Annual Return for financial year ended on 31/03/2020 in Form No.MGT-9 is hereby attached and will form part of the Board's Report.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The company has taken proper and adequate measures for Conservation of energy and Technology absorption and there are no instances of Foreign Exchange earnings and outgo.

17. DIRECTORS:

As per provisions of Section 203 & 149 of Companies Act, 2013 and related Rules made there under, Company is not required to appoint Key Managerial Personnel or any Independent Director during the current year of working.

18. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors of Company duly met **11 times** for transacting various matters and passing required resolutions etc. during the period under reporting.

19. AUDIT COMMITTEE:

As per provisions of Section 177 and Rule 6 of Companies (Meetings of Board and its powers) Rules, 2014, Company is not required to constitute an Audit Committee.

20. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

As per provisions of Section 177 (9) read with Rule 7 of Companies (Meetings of Board and its powers) Rules, 2014 Company is not required to establish any Vigil Mechanism.

21. NOMINATION AND REMUNERATION COMMITTEE:

As per provisions of Section 178 and Rule 6 of Companies (Meetings of Board and its powers) Rules, 2014, Company is not required to constitute a Nomination and Remuneration Committee.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not given loans, guarantees or made investments under Section 186 of Companies Act, 2013 during the year.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The company has made various contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 during the period under reporting. Detailed disclosures about these transactions are mentioned below in Form AOC-2.

24. MANAGERIAL REMUNERATION:

The Company has paid an amount of Rs. 10,50,333 as remuneration to its director during the year.

25. RISK MANAGEMENT POLICY:

A systematic approach to diversify the risk and to avoid the threats was followed by the company. Therefore during the current year of working, the company followed a systematic approach of risk management policy and was successful to avoid various risks.

26. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company is not required to constitute Corporate Social Responsibility Committee pursuant to Section 135 and Rule 3 of Companies (Corporate Social Responsibility) Rules, 2014.

28. MAINTENANCE OF COST RECORDS:

As per provisions of sub-section (1) of section 148 of the Companies Act, 2013, Company is not required to maintain cost records as specified by the Central Government

29. CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

As per Section 134 of Companies Act, 2013 read with Clause 5 (x) of Rule 8 of Companies (Accounts) Rules, 2014, Company is not required to constitute Internal Complaints Committee, as our company is a small company as per Section 2(85) of Companies Act, 2013.

30. SECRETARIAL STANDARDS OF ICSI:

Pursuant to the approval from the Ministry of Corporate Affairs, the Institute of Company Secretaries of India (ICSI) notified the revised Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) which became effective from 1 October, 2017. The Company is complying with the same.


31. ACKNOWLEDGEMENT:

Your Directors place on record their sincere and grateful appreciation for the timely assistance and co-operation received from the banker of the company during the year under report. The Board also appreciates the dedication and efforts of all the employees throughout the year.


PLACE: Delhi

DATE: 03-12-2020

For KVS CASTINGS PRIVATE LIMITED


(DEVENDRA KUMAR AGARWAL)
(DIRECTOR)
(00753173)

(S/O MITHLESH KUMAR AGARWAL,
530, NAND NIWAS, RAMNAGAR ROAD,
KASHIPUR, UDHAM SINGH NAGAR,
UTTARAKHAND)


(ARPAN JINDAL)
(DIRECTOR)
(00223527)

(S/O DEVENDRA KUMAR AGARWAL,
530, NAND NIWAS, RAMNAGAR ROAD,
KASHIPUR, UDHAM SINGH NAGAR,
UTTARAKHAND)



VIMAL & ASSOCIATES

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of

KVS CASTINGS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of M/s KVS CASTINGS PRIVATE LIMITED Company ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "**Standalone Financial Statements**")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit/loss, changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For and on behalf of
VIMAL AND ASSOCIATES
Chartered Accountants
FRN: 004275C


CA Vimal Kumar Agarwal
Partner

Membership No-082791

Place: Kashipur

Date: 26-08-2020

UDIN: 20082791AAAABM6079



"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
(c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) According to the information and explanation given to us, the Company has granted unsecured loans to company in the Register required under section 189 of the Companies Act.

In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company.

In respect of the aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest, where applicable.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section(1) of Section 148 of the Act, in respect of the activities carried on by the company.

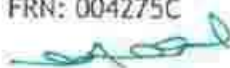


- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowing to a financial institutions and banks and the company has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) The company is a Private Limited Company and hence provisions of section 197 read with Schedule V to the Companies Act are not applicable.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.



- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
VIMAL AND ASSOCIATES
Chartered Accountants
FRN: 004275C


CA Vimal Kumar Agarwal
Partner
Membership No-082791

Place: Kashipur
Date: 26-08-2020
UDIN: 20082791AAAABM6079



"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of KVS CASTINGS PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of KVS CASTINGS PRIVATE LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

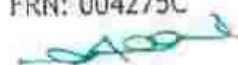
Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020

For and on behalf of
VIMAL AND ASSOCIATES
Chartered Accountants
FRN: 004275C



CA Vimal Kumar Agarwal
Partner
Membership No-082791

Place: Kashipur
Date: 26-08-2020
UDIN: 20082791AAAABM6079



BALANCE SHEET AS AT MARCH 31st, 2020

PARTICULARS	Note Nos.	Amount in Rs. 31-Mar-20
EQUITY AND LIABILITY		
Shareholders' Funds		
Share Capital	3	13,50,000
Shares to be issued pursuant to the Scheme of Amalgamation		5,62,540
Reserve & Surplus	4	6,43,51,175
		6,67,63,715
Non-Current Liabilities		
Long Term Borrowings	5	9,09,55,709
Deferred Tax Liabilities	6	10,67,156
		9,20,22,865
Current Liabilities		
Short Term Borrowings	7	1,66,03,023
Trade Payables	8	
Due to Micro, Small & Medium Enterprises		62,60,985
Due to Others		1,38,14,322
Other Current Liabilities	9	55,67,568
Short Term Provision	10	88,01,297
		5,10,47,195
TOTAL		20,98,33,775
ASSETS		
Non-Current Assets		
Fixed Assets	11	
Tangible Assets		7,95,99,208
Work-in-Progress		6,25,500
Advance Agst Capital Goods		1,50,000
		8,03,74,708
Non-Current Investments	12	16,87,812
Long Term Loan And Advances	13	86,54,401
		1,03,42,213
Current Assets		
Inventories	14	4,76,27,487
Trade Receivables	15	5,25,45,229
Cash & Cash Equivalents	16	1,41,74,540
Short Term Loans and Advances	17	47,69,597
		11,91,16,853
TOTAL		20,98,33,775

Accompanying notes forming part of the financial statements.

01-25

In Terms of Our Report of Even Date Annexed
For **VIMAL & ASSOCIATES**
Chartered Accountants
FRN No. 004275C

For **KVS CASTINGS PRIVATE LIMITED**

VIMAL KUMAR AGARWAL
PARTNER
M. No. 082791
Date : 26-08-2020
Place : KASHIPUR
UDIN:-20082791AAAABM6079



DEVENDRA KUMAR AGARWAL
DIRECTOR
DIN: 00753173

ARPAN JINDAL
DIRECTOR
DIN: 00223527

PROFIT & LOSS ACCOUNT FOR THE PERIOD 27th JUNE 2019 TO 31st MARCH 2020

Particular	Note Nos	Amount in Rs. 31-Mar-20
INCOME		
Revenue From Operations	18	18,05,06,299
Other Income	19	1,15,72,482
Total Revenue		19,20,78,781
EXPENDITURE		
Purchase of Stock in Trade		12,39,014
Cost of Material Consumed	20	8,61,24,579
Change in Inventories of Finished Goods	21	(80,49,300)
Employee Benefit Expenses	22	75,00,858
Finance Cost	23	1,15,23,634
Depreciation	11	54,07,403
Other Expenses	24	9,70,19,097
Total Expenses		18,07,65,285
Add:- Income/(Expenses) Related to Prior Period		1,08,478
Profit/(Loss) Before Tax		1,14,21,964
Tax Expenses:		
Current Tax Expenses		19,98,338
Tax Expenses Relating to Prior Period		2,08,319
Net Current Tax Expenses		22,06,657
Deferred Tax Liabilities		10,67,156
Profit/(loss) For The Period		81,48,142
Earning Per Share (of Rs.10/- Each)		
Basic		60.36
Diluted		60.36

Accompanying notes forming part of the financial statements

01-25

As Per Our Report of Even Date Annexed

For VIMAL & ASSOCIATES

Chartered Accountants

FRN No. 004275C

VIMAL KUMAR AGARWAL
PARTNER

M. No. 082791

Date : 26-08-2020

Place : KASHIPUR

UDIN:-20082791AAAABM6079



For KVS CASTINGS PRIVATE LIMITED

DEVENDRA KUMAR AGARWAL
DIRECTOR
DIN: 00753173

ARPAN JINDAL
DIRECTOR
DIN: 00223527

Note No. 1

Significant accounting policies and notes to financial statements for the year ended 31st March, 2020.

Significant accounting policies

i. Basis of accounting

The financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting standards) Rule 2006 issued by the Central Government, as amended, and with the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

ii. Fixed assets

Fixed assets and intangible assets (other than those acquired under Hire Purchase Schemes) are stated at cost of acquisition / revalued amount, less accumulated depreciation and impairments, if any. Revalued assets are stated at their fair value as at the date of revaluation based on report of approved valuer less accumulated depreciation. Cost of fixed assets includes taxes, duties, freight and other incidental expenses related to acquisition and installation after reducing Cenvat credit received/ receivable, if any. Borrowing costs attributable to acquisition, construction of a qualifying asset (i.e. an asset requiring substantial period of time to get ready for intended use) are capitalised in accordance with the requirements of Accounting Standard 16 (AS 16), "Borrowing Costs". Other pre-operative expenses during construction period are capitalised, where appropriate. Fixed assets acquired under Hire Purchase Schemes are valued at cash price less depreciation. Other fixed assets are stated at their historical cost of acquisition/installation less depreciation.

iii. Depreciation

The Company follows straight line method of depreciation for all of its fixed assets.

Depreciation is provided based on useful life of the asset as prescribed in schedule II to the Companies Act, 2013.

Depreciation on addition to fixed assets have been calculated on pro-rata basis from the date of acquisition / installation.

iv. Inventories

Finished Goods Scrap & Waste are valued at lower of cost and net realizable value. Raw Material is valued at lower of cost and net realizable value and the cost of raw materials is arrived at on FIFO (First in first out) basis. And consumable and stores & spares are valued at weighted average method.


DEVENDRA KUMAR AGARWAL
MD/DIRECTOR
DIN:00753173


ARPAN JINDAL
DIRECTOR
DIN:00223527



Significant accounting policies and notes to financial statements for the year ended 31st March, 2020.

v. Foreign exchange transactions

Transactions in foreign currency and non-monetary assets are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted at the year-end exchange rate.

The exchange differences arising on such conversion and on settlement of the transactions are adjusted to the cost of respective expense / depreciable capital assets.

vi. Income tax

Income tax comprises of current tax and deferred tax. Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of the assessment.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws substantially enacted as on the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation/brought forward losses are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Other deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax credit ("MAT Credit") is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to utilize that credit during the specified period.

vii. Investments

Investments which are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are stated at lower of cost and fair market value. Long-term investments are stated at cost and provision for diminution in their value, other than temporary, is made in the accounts.


DEVENDRA KUMAR AGARWAL
MD/DIRECTOR
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DIRECTOR
DIN:00223527



Significant accounting policies and notes to financial statements for the year ended 31st March, 2020.

viii. **Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Return/ gain from funds (Which was not for the construction purpose) invested is being taken in to the P&L account.

ix. **Revenue**

Sales are recognized when significant risks and rewards of ownership of the goods have passed to the buyer which coincides with delivery. Sales are stated net of trade discount and sales tax.

Interest and other income are recognised on accrual basis.

x. **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events including a bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

xi. **Use of estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

xii. **Impairment of assets**

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the Profit and Loss Account.


DEVENDRA KUMAR AGARWAL
MD/DIRECTOR
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ARPAN JINDAL
DIRECTOR
DIN:00223527



Significant accounting policies and notes to financial statements for the year ended 31st March, 2020.

xiii. **Contingency/provisions**

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the Company, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter. The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, has been made as a contingent liability in the financial statements.

xiv. **Retirement benefits**

- a) Retirement Benefits in the form of Provident Fund are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due.
- b) Gratuity is recognized as an expense in the profit & loss account for the year in which the employee has rendered services. The expenses is recognized at the present value of the amounts payable determined using actuarial valuation Life Insurance Corporation of India with whom a policy to that effect has been taken.
- c) Encashment of accrued leave salary is fully provided for on actual basis.


DEVENDRA KUMAR AGARWAL
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ARPAN JINDAL
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Scheme of Amalgamation

A Scheme of Amalgamation was framed under the provisions of sections 230 and 232 of the Companies Act, 2013, and other applicable provisions, if any, for amalgamation of Kamlapati Infrastructure Ltd, Sidhivinayak Horticulture Ltd, Sharma Investments Ltd and Tomar Investments Ltd (the Transferor Companies No. 1 to 4, respectively) with KVS Castings Pvt Ltd (the Transferee Company).

I. Salient features of the Scheme of Amalgamation are as follows:

- a. All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Companies will be transferred to and vest in the Transferee Company.
- b. All the employees of the Transferor Companies in service on the Effective Date, if any, shall become the employees of the Transferee Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the concerned Transferor Company on the said date.
- c. The Appointed Date for Amalgamation will be 1st August, 2019.
- d. Share Exchange Ratio for the Amalgamation:
 - i. The Transferee Company-KVS Castings Pvt Ltd will issue 26 (twenty-six) Equity Shares of ₹10 each, credited as fully paid up, for every 100 (one hundred) Equity Shares of ₹100 each held in the Transferor Company No. 1-Kamlapati Infrastructure Ltd.
 - ii. The Transferee Company-KVS Castings Pvt Ltd will issue 32 (thirty-two) Equity Shares of ₹10 each, credited as fully paid up, for every 100 (one hundred) Equity Shares of ₹100 each held in the Transferor Company No. 2-Sidhivinayak Horticulture Ltd.
 - iii. The Transferee Company-KVS Castings Pvt Ltd will issue 12 (twelve) Equity Shares of ₹10 each, credited as fully paid up, for every 100 (one hundred) Equity Shares of ₹100 each held in the Transferor Company No. 3-Sharma Investments Ltd.
 - iv. The Transferee Company-KVS Castings Pvt Ltd will issue 10 (ten) Equity Shares of ₹10 each, credited as fully paid up, for every 100 (one hundred) Equity Shares of ₹100 each held in the Transferor Company No. 4-Tomar Investments Ltd.
- e. Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

- II. The aforesaid Scheme of Amalgamation was approved by the Hon'ble National Company Law Tribunal, Special Bench, New Delhi (the Tribunal) vide its order dated 15th June, 2020. The Scheme became effective on 01st August 2019, being the date of filing of the Order of the Tribunal with the ROC. Since the Scheme is operative from the Appointed Date, 1st August, 2019, it has been given effect to in the present audited Financial Statements. Accordingly, the present audited Financial Statements are consisting of


DEVENDRA KUMAR AGARWAL
MD/DIRECTOR
DIN:00753173


ARPAN JINDAL
DIRECTOR
DIN:00223527



financial figures of the Transferee Company as well as financial figures of the Transferor Companies No. 1 to 4.

III. The Transferee Company is engaged in manufacturing and marketing of automobile casting, MS Ingot and other related activities. Whereas, prior to the Scheme of Amalgamation, the Transferor Companies were engaged in the following activities:

- a. The Transferor Company No. 1 was engaged in purchase, sale and trading of commodities and other related activities. The Company has also promoted a partnership firm- M/s KVS Infratech, LLP which is engaged in machining work of steel casting on job work basis.
- b. The Transferor Company No. 2 was engaged in purchase, sale and trading of commodities and other related activities. The Company has also promoted a partnership firm- M/s KVS Infratech, LLP which is engaged in machining work of steel casting on job work basis.
- c. The Transferor Company No. 3 is engaged in purchase, sale and trading of commodities and other related activities. The Company has also promoted a partnership firm- M/s KVS Enterprise which was engaged in manufacturing and marketing of automobile casting, MS Ingot and other related activities.
- d. The Transferor Company No. 4 is engaged in purchase, sale and trading of commodities and other related activities. The Company has also promoted a partnership firm- M/s KVS Enterprise which was engaged in manufacturing and marketing of automobile casting, MS Ingot and other related activities.

IV. In terms of the Scheme, the Transferee Company will issue the following Equity Shares of ₹10 each, credited as fully paid up, to the members of the Transferor Companies No. 1 to 4, in exchange of 100% share capital of the Transferor Companies after cancellation of cross holding, if any:

Sl. No.	Particulars	No. of Shares	Amount ₹
1.	To the members of the Transferor Company No. 1	6,011	60,110
2.	To the members of the Transferor Company No. 2	9,312	93,120
3.	To the members of the Transferor Company No. 3	22,931	2,29,310
4.	To the members of the Transferor Company No. 3	18,000	1,80,000
	Total	56,254	5,62,540

The aforesaid Shares to be issued by the Transferee Company have been disclosed under the head "Shares to be issued pursuant to the Scheme of Amalgamation" in the Balance Sheet.

V. Amalgamation of Transferor Companies with the Transferee Company has been accounted for under the Pooling of Interests Method as per Accounting Standard-14 (AS-14) as prescribed under section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles in India (Indian GAAP), as the case may be.

DEVENDRA KUMAR AGARWAL
MD/DIRECTOR
DIN:00752132

ARPAN JINDAL
DIRECTOR
DIN:00223527



Accordingly, all the assets, liabilities and reserves of each of the Transferor Companies have been recorded in the Company's books at their existing carrying amounts and in the same form. Inter-company balances, if any, stand cancelled.

VI. The following accounting treatment has been given to some of the issues pertaining to the Scheme:

- a. 15,000 Equity Shares of the Transferee Company held by the Transferor Companies have been extinguished out of the issued and paid-up share capital of the Transferee Company on cancellation of cross holding.
- b. An amount of ₹ 5,50,45,599 being difference between face value of cross holding and cost of investment, as disclosed in the balance sheet of the investing company, has been adjusted in Capital Reserve of the Transferee Company.
- c. Surplus of ₹ 4,17,69,460 arising out of amalgamation being difference between pre-merger paid up Share Capital of the Transferor Company and paid-up value of new Equity Shares to be issued by the Transferee Company on amalgamation, has been credited to Capital Reserve in the books of the Transferee Company.

A para on the impact of harmonization of Accounting Policies of the Transferor Companies with that of the Transferee Company, if any.


DEVENDRA KUMAR AGARWAL
MD/DIRECTOR
DIN:00753173


ARPAN JINDAL
DIRECTOR
DIN:00223527



Notes To Financial Statements For The Year Ended March 31st, 2020

NOTE "3"

Share Capital

Amount in Rs

Particulars	31-Mar-20
	Amount in Rs.
Authorised	
150000 Equity Shares of Rs 10 Each	15,00,000
Issued Subscribed and Paid Up	
150000 Equity Share of Rs. 10/- Each	15,00,000
Less:- Cross Holding Pursuant to the Scheme of Amalgamation (15000 Equity Shares of Rs 10/- Each)	1,50,000
Total	13,50,000

NOTE "3"(a)

Reconciliation of the Number of Share Outstanding

Amount in Rs

	31-Mar-20	
	Nos. of Share	Amount in Rs.
Equity Shares		
Number of Equity Share At The Beginning of The Year	-	-
Add:-		
Issue of Equity Share	1,50,000	15,00,000
Number of Equity Share At The End of the Year	1,50,000	15,00,000

NOTE "3"(b)

Detail of Shareholders Holding More Than 5% Share

Amount in Rs

Particulars	31-Mar-20	
	Nos. of Share	% Holding in That Class of Share
Class of Share/Name of Share Holder		
Equity Shares With Voting Rights		
a) Mr. Devendra Kumar Agarwal	52,500	35.00%
b) Mr. Arpan Jindal	52,500	35.00%
c) M/s Kashi Vishwanath Steels Private Limited	15,000	10.00%

NOTE "4"

Reserve & Surplus

Amount in Rs

Particulars	31-Mar-20
Capital Reserve	5,67,03,033
Profit & Loss	
Opening Balance	-
Add:- Profit/(Loss) For The Period	81,48,142
Closing Balance	81,48,142
Total	6,48,51,175

DEVENDRA KUMAR AGARWAL
MD/DIRECTOR
DIN:00753173

ARPAN JINDAL
DIRECTOR
DIN:00223527



Notes To Financial Statements For The Year Ended March 31st, 2020

NOTE "5"

Long Term Borrowings

Particulars	Amount in Rs 31-Mar-20
Secured Loans	
Term Loan	
Canara Bank, Kashipur (Against Hypothecation of Plant & Machinery Purchased From Funds of Term Loan & Equitable Mortgage of Land)	1,12,86,425
Unsecured Loan	
From Directors	4,01,09,383
From Intercorporates	3,95,59,901
Total	9,09,55,709

NOTE "6"

Deferred Tax Liabilities

Particulars	Amount in Rs 31-Mar-20
Opening Balance	-
Movement For The Year	10,67,156
Closing Balance	10,67,156

NOTE "7"

Short Term Borrowings

Particulars	Amount in Rs 31-Mar-20
Working Capital Borrowings	
Loan Repayable On Demand From Banks	
The Nainital Bank Limited, Kashipur (Against Hypothecation of Stock & Book Debts)	1,66,03,023
Total	1,66,03,023

NOTE "8"


Trade Payables

Particulars	Amount in Rs 31-Mar-20
Due to Micro, Small, Medium Enterprises	62,60,985
Due to Others	1,38,14,322
Total	2,00,75,307

NOTE "9"

Other Current Liabilities

Particulars	Amount in Rs 31-Mar-20
Statutory Remittance	
GST Payables	4,20,483
TDS Payables	5,36,477
Other Current Liabilities	46,10,608
Total	55,67,568


DEVENDRA KUMAR AGARWAL
MD/DIRECTOR
DIN:00753173


ARPAN JINDAL
DIRECTOR
DIN:00223527



Notes To Financial Statements For The Year Ended March 31st, 2020

NOTE "10"

Short Term Provision

Particulars	Amount in Rs 31-Mar-20
Provision For Employee Benefits	
Provision For Bonus	13,25,030
Provision For Other Employee Benefits	18,62,960
	31,87,990
Provision-Others:-	
Provision For Income Tax	38,18,850
Provision Other	17,94,457
	56,13,307
Total	88,01,297

NOTE "12"

Non Current Investment

Particulars	Amount in Rs 31-Mar-20
Investment in Share of Associates (Unquoted) Valued at Historical Cost of 100 Equity Share of Devarpan Foods Private Limited of Rs. 10 Each Fully Paid	1,000
Investment with KVS Infraatech LLP	11,28,650
Investment in Share of Associates (Unquoted) Valued at Historical Cost of 100 Equity Share of KVS Ispat Private Limited of Rs. 10 Each Fully Paid	3,85,000
Investment in Share of Associates (Unquoted) Valued at Historical Cost of 100 Equity Share of Annapurna Steels Private Limited of Rs. 10 Each Fully Paid	1,00,796
Investment in Share of Associates (Unquoted) Valued at Historical Cost of 100 Equity Share of Kumaun Garhwal Industrial Infrastructural Private Limited of Rs. 10 Each Fully Paid	72,366
Total	16,87,812

NOTE "13"

Long Term Loan And Advances

Particulars	Amount in Rs 31-Mar-20
Security Deposit With UPCL, Kashipur	45,07,354
Security Deposit With Other	41,47,047
Total	86,54,401

NOTE "14"

Inventories

Particulars	Amount in Rs 31-Mar-20
Raw Materials	35,07,935
Stores, Spares, Consumables & Fuel	2,17,48,549
Finished Goods	2,23,71,003
Total	4,76,27,487

NOTE "15"

Trade Receivables

Particulars	Amount in Rs 31-Mar-20
Trade Receivables Unsecured Considered Good	
More Than Six Month	10,35,434
Others	5,15,09,795
Total	5,25,45,229


DR. VENDRA KUMAR AGARWAL
MD/DIRECTOR
DIN:00753173


ARPAN JINDAL
DIRECTOR
DIN:00223527



Notes To Financial Statements For The Year Ended March 31st, 2020

NOTE "11"

FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block	
	As at	Additions	Sale / Adj	As at	For The	Sale / Adj	As At	As At
	27.06.2019	During Year	During Year	31.03.2020	Year	During year	31.03.2020	31.03.2020
TANGIBLE ASSETS								
Lands	24,06,881	-	-	24,06,881	-	-	-	24,06,881
Factory Buildings	1,23,94,426	-	-	1,23,94,426	2,06,475	-	73,83,778	50,10,647
Office Buildings	1,51,19,392	-	-	1,51,19,392	1,53,336	-	70,69,207	80,50,185
Plant & Machinery	12,58,83,484	10,62,000	-	12,69,45,484	47,55,705	-	6,39,83,868	6,29,61,616
Lab Equipments	39,95,428	-	-	39,95,428	39,603	-	36,92,026	3,03,402
Computers	6,69,466	20,763	-	6,90,229	12,456	-	5,93,331	96,898
Office/Other Equipments	3,43,859	-	-	3,43,859	81,356	-	2,25,913	1,17,946
Furniture & Fixtures	2,09,265	-	-	2,09,265	35,050	-	1,50,322	58,943
Vehicle	10,74,950	-	-	10,74,950	1,23,421	-	4,82,260	5,92,690
Total	16,20,97,151	10,82,763	-	16,31,79,914	54,07,403	-	8,35,80,706	7,95,99,208
Capital Work in Progress	-	6,25,500	-	6,25,500	-	-	-	6,25,500
Advance Against Capital Goods	-	1,50,000	-	1,50,000	-	-	-	1,50,000
Total-Current Year	16,20,97,151	18,58,263	-	16,39,55,414	54,07,403	-	8,35,80,706	8,03,74,708

(Amount in Rs.)



Arpan Jindal
 DIRECTOR
 DIN:00223527

Devendra Kumar Agarwal
 MD/DIRECTOR
 DIN:00753173

Notes To Financial Statements For The Year Ended March 31st, 2020

NOTE "16"

Cash & Cash Equivalents

Particulars	Amount in Rs 31-Mar-20
Cash in Hand	3,87,541
Balances with Scheduled Banks	
In Current Accounts	1,77,743
With The Nainital Bank Limited in FDR Account	1,11,62,116
With The Nainital Bank Limited in RD Account	24,47,140
Total	1,41,74,540

NOTE "17"

Short Term Loan And Advances

Unsecured (Considered Good, Unless otherwise Stated)

Particulars	Amount in Rs 31-Mar-20
Loan And Advances to Employee	79,600
Prepaid Expenses	15,79,477
Advance Income Tax & TDS	8,80,436
Advance for Excise Under Protest	1,05,815
Advance for VAT Under Protest	11,553
Other Receivables	13,50,569
Other Advances	7,62,147
Total	47,69,597

NOTE "18"

Revenue From Operations

Particulars	Amount in Rs 31-Mar-20
Sales of Products	18,05,06,299
Total	18,05,06,299

NOTE "19"

Other Income

Particulars	Amount in Rs 31-Mar-20
Interest on Electricity Security	2,20,236
Interest on RD & FDR	6,98,376
Interest Received on Unsecured Loan	2,29,985
Income From Transportation	3,21,095
Profit From KVS Infraatech LLP (Erstwhile Kamlapati Infrastructure Limited & Sidhivinayak Horticulture Limited Now merged with KVS Castings Private Limited.)	3,00,570
Lease Rent	98,02,200
Total	1,15,72,462


DEVENDRA KUMAR AGARWAL
MD/DIRECTOR
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ARPAN JINDAL
DIRECTOR
DIN:00223527



Notes To Financial Statements For The Year Ended March 31st, 2020

NOTE "20"

Cost of Material Consumed

Particulars	Amount in Rs
	31-Mar-20
Opening Stock	11,26,819
Add: Purchases	6,85,05,694
Total	6,96,32,513
Less : Closing Stock	35,07,935
Raw Material Consumed	6,61,24,579
Material Consumed Compares	
Scrap	6,17,98,638
Sponge	40,08,132
Pig Iron	3,17,809
	6,61,24,579

NOTE "21"

Change in Inventories of Finished Goods And Stock in Trade


Particulars	Amount in Rs
	31-Mar-20
Inventories At The End Of The Year	
Finished Goods	2,23,71,003
Inventories At The Beginning Of The Year	
Finished Goods	1,43,21,703
Net Increase / (Decrease) in Stocks	(80,49,300)

NOTE "22"

Employee Benefit Expenses

Particulars	Amount in Rs
	31-Mar-20
Bonus Expenses	13,25,030
E.S.I. Expenses	2,48,894
Group Gratuity Expenses	8,87,202
P.F. Expenses	9,38,807
Director Remuneration Expenses	10,50,333
Salary Office Expenses	30,50,592
Total	75,00,858


DEVENDRA KUMAR AGARWAL
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ARPAN JINDAL
DIRECTOR
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Notes To Financial Statements For The Year Ended March 31st, 2020

NOTE "23"

Finance Cost

Particulars	Amount in Rs
	31-Mar-20
Interest On Working Capital	14,72,661
Interest On Term Loan	10,28,501
Interest On Unsecured Loans	87,69,118
Bank Charges	2,42,270
Interest to Others	11,084
Total	1,15,23,634

NOTE "24"

Other Expenses

Particulars	Amount in Rs
	31-Mar-20
Manufacturing Expenses	
Stores, Spares and Consumables	4,11,56,665
Contractors Wages	57,12,489
Electricity & Power Expenses	3,25,89,411
Salary & Wages - Production	97,17,199
Administrative Expenses	
Payment to Auditors	
Audit Expenses	780
GST/Tax Audit Fee	41,080
Internal Audit Fee	23,000
Postage & Telegram	9,293
Conveyance Expenses	14,523
Travelling Expenses	92,781
Insurance Expenses	2,30,816
Mobile/Telephone Expenses	44,386
Internet Expenses	10,349
Lease Rent	1,15,820
Printing & Stationery Expenses	53,575
Professional & Consultancy Charges	5,25,350
Rates & Taxes	1,14,948
ROC Filing Fee	17,400
Repairs & Maintenance (Plant & Machinery)	8,07,829
Bad Debts Written off	43,386
Testing Expenses	6,32,671
Selling And Distribution Expenses	
Freight Outward Expenses	28,45,725
Advertisement Expenses	26,000
Business Promotion Expenses	21,412
GST Expenses	1,21,637
Discount on Sales & Claims	20,50,572
Total	9,70,19,097

DEVENDRA KUMAR AGARWAL
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ARPAN JINDAL
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Notes Forming Part Of The Financial Statements For The Year Ended 31st March 2020

NOTE "25"

Notes to Accounts

a. Contingent Liability

(Rs. in Lacs)

Particulars	March 31, 2020
Bank Guarantee	66.18

b. Particulars

(Amount in Rs.)

Particulars	March 31, 2020
Earning Per Share (EPS)	60.36

c. Deferred Tax Liability

Deferred Tax Liability has been arrived in terms of Accounting Standard "AS-22: Accounting for Taxes on Income" as under:

PARTICULARS	Amount (Rs.)
Liability:	March 31, 2020
Timing difference on account of :	
- Depreciation	-39,22,215
- Bonus & Leave Encashment	-1,82,230
Total Liability	-41,04,445
Assets:	
- Unabsorbed business loss & depreciation	-
- Bonus & Leave Encashment	-
Total Assets	-
Net Liability	-41,04,445
Tax deferred	-10,67,156

d. Managerial Remuneration

Particulars	March 31, 2020
Salary Paid to Director	10,50,333
TOTAL	10,50,333

e. Auditors Remuneration

March 31, 2020

Payment to Statutory Auditors	
Tax Audit Fees	30,000
Fees For Other Services	-

f. As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related parties as defined in Accounting Standard are given below:

i) List of related parties with whom transactions have taken place and relationship with them:

Sr. No.	Name of Related Party	Relationship
A	1 Shri Devendra Kumar Agarwal	Key Managerial Personnel
	2 Shri Arpan Jindal	
B	3 Smt. Rekha Agarwal	Relative of Key Managerial Personnel
	4 Smt. Venu Jindal	
C	5 M/s Annpurna Steels Private Limited	Enterprises where A & B have significant influence
	6 M/s Devarpan Foods Private Limited	
	7 M/s Sharma Investment Limited	
	8 M/s Tomar Investment Limited	
	9 M/s Kamlepati Infrastructure Limited	
	10 M/s Siddhivinayak Horticulture Limited	
	11 M/s Kumaun Garhwal Infrastructural Industrial Corporation Private Limited	
	12 M/s Kashi Vishwanath Steels Private Limited	
	13 M/s KVS Infraattech LLP	

DEVI KUMAR AGARWAL
MD/DIRECTOR

ARPAN JINDAL
DIRECTOR
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(iii) Transactions During the year with Related Parties

Rs. In Lacs

Nature of Transaction	Key Managerial Personnel
	March 31, 2020
Director's Remuneration	10.50
Unsecured Loans Received	592.07
Unsecured Loans Repaid	1,313.28
Lease Rent Paid	0.46
Freight Received	3.21
Total:	1,919.52
	Relative of Key Managerial Person
	March 31, 2020
Lease Rent Paid	0.50
Total:	0.50
	Enterprises where A & B have significant influence
	March 31, 2020
Purchase from Related Party	122.03
Total:	122.03

g. Additional Information Details

1 Value of Raw Materials, Stores & Spares Consumed:

Particulars	March 31, 2020	
	(Rs. In Lacs)	%age
Raw Materials Consumed		
- Imported	---	---
- Indigenous	661.25	100.00%
Stores & Spares Consumed		
- Imported	---	---
- Indigenous	411.57	100.00%

2 Earning in foreign exchange/ Expenditure in foreign currency

Particulars	March 31, 2020
	(Rs. In Lacs)
Expenditure in foreign currency	Nil

3 This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

4 The Company was incorporated on 10th June 2019 as such there are no previous year's figures to be incorporated in the statements of accounts.

5 Figures shown herein above are rounded off to the nearest rupees.

In terms of our report of even date attached

For **VIMAL & ASSOCIATES**

Firm Regd.No.00475C

Chartered Accountant



VIMAL KUMAR AGRWAL
(PARTNER)

Membership No. 082791

Place : **Kashipur**

Date : **26-08-2020**

UDIN: **20082791AAAA8M6079**



For **KVS CASTINGS PRIVATE LIMITED**


DEVENDRA KUMAR AGARWAL
DIRECTOR
DIN: 00753173


ARPAN JINDAL
DIRECTOR
DIN: 00223527